

United States Senate

WASHINGTON, DC 20510-4605

January 23, 2008

The Honorable Max Baucus
Chairman
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Charles E. Grassley
Ranking Member
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Baucus and Ranking Member Grassley:

As the Senate Finance Committee considers legislation to address the threat of recession, I urge you to draft a bipartisan stimulus package that contains the following priorities:

1. Infrastructure

A large portion of the stimulus package should be devoted to infrastructure development, putting people to work and at the same time benefiting the nation's capital needs. Reliable estimates have shown that each \$1 billion spent on construction and maintenance of our nation's infrastructure creates approximately 35,000 – 42,000 jobs. The American Society of Civil Engineers estimates that \$1.6 trillion is needed over a five-year period to bring the nation's infrastructure to a good condition. Congestion in the Washington, D.C., metropolitan area costs commuters \$1,212 per person per year in excess fuel and lost time. Virginia alone has \$3.52 billion in wastewater infrastructure needs.

In order to ensure that funds reach people in need as soon as possible, I believe that priority must be placed on projects that have been structured for quick expenditure and on expediting federal approval of outstanding infrastructure projects, encompassing investment in construction for schools, highways, bridges, and water systems.

As an important example, Virginia and the Washington, D.C., metropolitan area are awaiting an imminent decision by the U.S. Department of Transportation's Federal Transit Administration regarding a multi-billion dollar extension of the Metrorail to Reston, Virginia, and ultimately to Dulles International Airport. This project would have a national impact. Its immediate approval would result in the expenditure of \$700 million this year in Virginia alone, generating thousands of jobs that will be filled by residents across a four-state area and giving an enormous boost to the Mid-Atlantic economy.

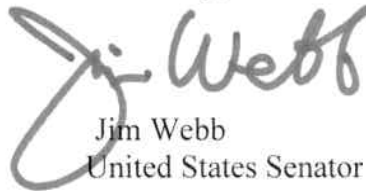
2. Unemployment Insurance

I support the extension and expansion of unemployment insurance benefits. I would also urge that funds be provided for the administration of unemployment insurance. Virginia, like many states, needs additional funds for the state offices administering unemployment insurance, particularly because a recession will only exacerbate an already difficult employment situation in rural areas of the state.

Beyond these priorities, other proposals that will help stimulate the economy and assist our nation's citizens include full funding of heating assistance programs for low-income households, an immediate, refundable rebate that targets low- and moderate-wage earners, federal assistance to the states to help finance Medicaid, and extending the research and development tax credit for businesses.

I appreciate your efforts to ensure that the Senate's fiscal stimulus package helps bolster the economy and assists the low- and middle-wage earners most in need of help. I look forward to continuing to work with you and President Bush on this important issue.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Webb". The signature is stylized with a large, sweeping initial "J" and a cursive "Webb".

Jim Webb
United States Senator

JW/di